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## Abstract

The purpose of this paper is to examine China's nuclear weapons, ballistic missiles, arms sales, nuclear proliferation, and the impact they have had on Sino-American relations. A course of action is then proposed for the future U.S. relationship with China.

## Nuclear weapons

On 14 February 1950, China and the Soviet Union signed a 30-year Treaty of Friendship, Alliance and Mutual Assistance.<sup>1</sup> This treaty provided Soviet arms assistance to China during and after the Korean War, and set the stage for Soviet help with China's nuclear program.

China had watched the U.S. use nuclear weapons against Japan and the Chinese were uncertain as to exactly what action the U.S. would take in Korea. When the Korean War was going badly for the Chinese in 1951, a State Ministry Spokesman gave Beijing's view of nuclear weapons:

Now we understand more clearly that only when we ourselves have the atomic weapon, and are fully prepared, it is possible for the frenzied warmongers to listen to our just and reasonable proposals.<sup>2</sup>

The subsequent U.S. deployment of nuclear weapons to Taiwan during the mid-1950s gave China every reason to fear that the U.S. might use nuclear weapons against them. China was, at this time, under the nuclear umbrella of the Soviets (and during the

Taiwan Strait crisis of 1954-55 the Chinese found they could not rely on the Soviets to support China's interests, even after the U.S. had indicated it was prepared to use nuclear weapons. China quickly realized that as long as it depended on the Soviets for nuclear protection the Chinese would not be able to fully pursue their interests, but only those that the Soviets agreed to. Based on this realization, Mao Zedong and the Chinese leadership formally decided to obtain their own nuclear arsenal during January 1955.<sup>3</sup> However, China had no adequately trained personnel, no nuclear experience, and no equipment or facilities to build nuclear weapons. But with the help of the Soviets, the Chinese launched a simultaneous program to master nuclear and thermonuclear weapon theory, technology, design, and construction in the quickest time possible. The Soviets designed and built China's initial nuclear weapons infrastructure. This help included providing equipment, plans, and training.

Deng Xiaoping articulated China's rational for nuclear weapons in 1957:

The Soviet Union has the atom bomb. Where does the significance lie? It lies in the fact that the imperialists are afraid of it. Are the imperialists afraid of us? I think they are not.... The United States stationed troops on Taiwan because we have no atom bomb or guided missiles.<sup>4</sup>

China clearly feared and resented the U.S. because of its nuclear capability. Furthermore, the Chinese had quickly learned that, regardless of agreements they had with the Soviet Union, they could not depend on the Soviets to support Chinese interests when

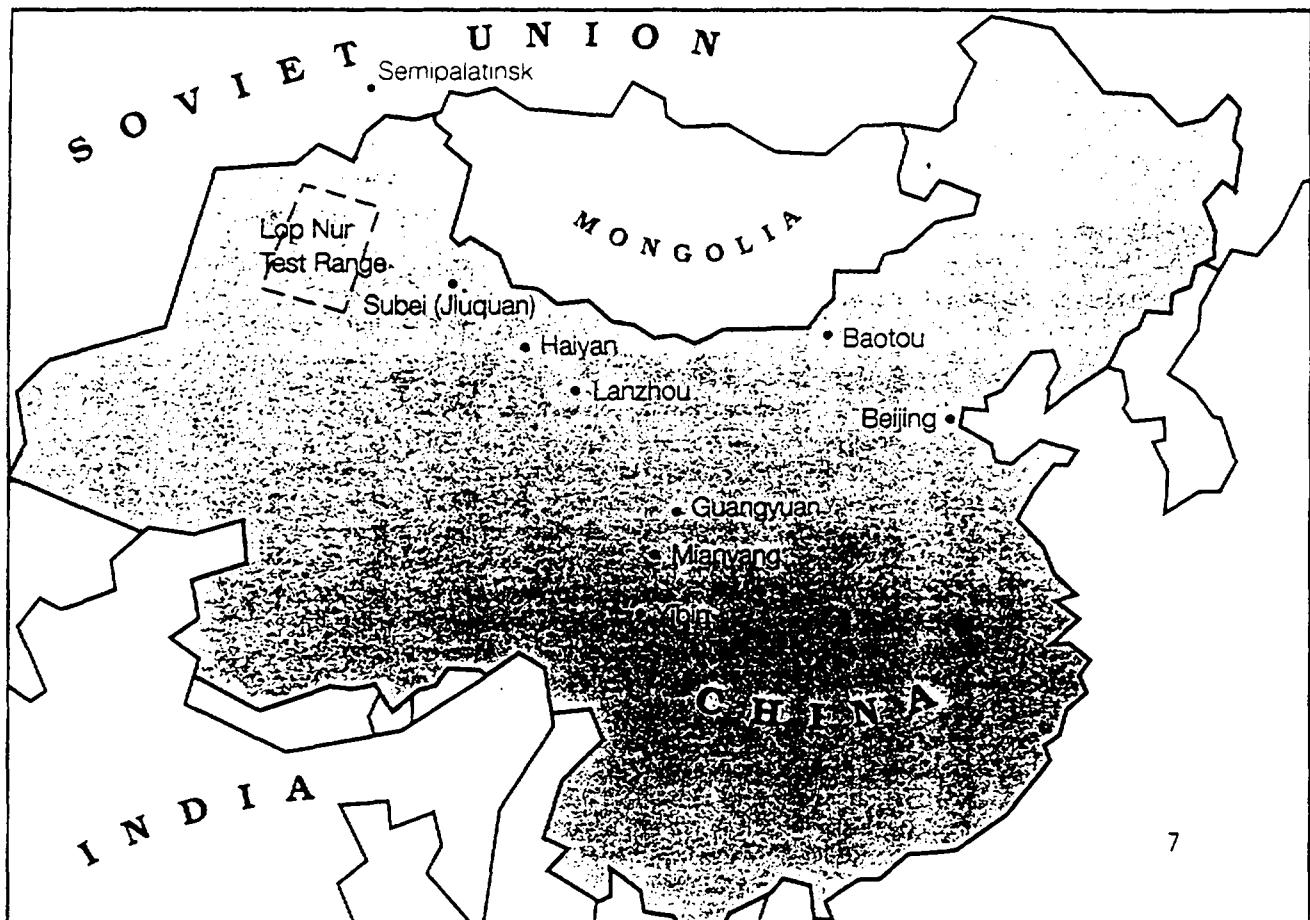
nuclear weapons might be involved. The Taiwan Strait crisis contributed to a growing ideological split between the Chinese and Soviets that, by 1960, led to the withdraw from China of all Soviet support for the Chinese nuclear weapons program, and left China on its own for continued development. The Soviet withdrawal caused significant delays in China's nuclear program. However, the Chinese persisted in their efforts and in 1964 China conducted its first nuclear test.

Sino-Soviet differences continued to grow and in 1969 fighting occurred along their border. The nuclear weapons that the Chinese had built for use against the U.S. were then targeted on the Soviet Union.<sup>5</sup>

China has always viewed nuclear weapons as an important indicator of a nation's industrial, scientific, and technological level. The Chinese found that possessing nuclear weapons gave China leverage when dealing with the U.S. and enabled the Chinese to be a leader among the non-aligned and developing countries of the world.

China initially concentrated on the production of strategic nuclear weapons and when satisfied with the results then began to develop a tactical nuclear capability. In 1982 the Chinese conducted their first simulated tactical nuclear airburst during a military exercise in the Ningxia Province 700 kilometers south

of the Mongolian border.<sup>6</sup>



Since their entry into the nuclear realm the Chinese have continued to expand on their nuclear production capabilities. During the late 1960s, China allegedly built new underground facilities at Mianyang, Guangyuan, and Yibin to replace or supplement the facilities built earlier at Jiuquan, Haiyan, and Langhou.<sup>8</sup> To date China has conducted thirty-six nuclear tests at its 100,000 square kilometer test range at Nur Lop.<sup>9</sup>

Compared with the U.S. and former Soviet Union the Chinese nuclear arsenal is relatively small, although very capable of massive destruction. The Chinese are currently suspected of having 300 nuclear weapons that are estimated at 465 megatons, compared to a U.S., former Soviet Union total of 15,000 megatons.<sup>10</sup> Additionally, current indications are that China appears to be aggressively working toward the development of a neutron bomb.<sup>11</sup>

### **Ballistic missiles**

When China launched its nuclear weapons program it simultaneously began an effort to produce missiles and aircraft that could deliver the nuclear weapons that were produced.<sup>12</sup> On October 15, 1957, the Chinese and Soviets signed the New Defense Technical Accord. The Soviets agreed, in the Accord, to provide China with blueprints and a working prototype of an atom bomb, as well as missiles.<sup>13</sup>

The Sino-Soviet split of 1960 not only slowed China's nuclear weapons program, but also left the Chinese on their own to develop missiles. However, using technology and prototypes they had obtained from the Soviets, the Chinese persisted in their efforts and announced their first missile launch in September of 1960.

China's first ballistic missile, the Dong Feng-1 or East

Wind was liquid fueled, short range (600 kilometers), and carried a warhead of about 15 kilotons.<sup>14</sup> This missile is no longer in production and those that were produced have been retired.

The Dong Feng-2, a transportable, medium range ballistic missile (MRBM), became operational on October 27, 1966.<sup>15</sup> This liquid fueled missile also carries a 15 kiloton warhead, but with a range out to 600 nautical miles. Deployment of this missile began in 1969 and it appears that approximately 50 are currently deployed.<sup>16</sup>

The Chinese next produced the Dong Feng-3, an intermediate-range ballistic missile (IRBM) that unlike the transportable Dong Feng-2 was built to be silo-based.<sup>17</sup> Testing of this liquid fueled missile began in 1969 and it was first deployed in 1972.<sup>18</sup> The Dong Feng-3 has a range of 1,500 nautical miles, carries a 1-3 megaton warhead, and 60 to 80 of these missiles are believed to exist.<sup>19</sup>

The Dong Feng-4, China's first intercontinental ballistic missile (ICBM) was deployed in 1971 and appears to be a Dong Feng-3 with an added upper stage for increased range.<sup>20</sup> It also carries up to a 3 megaton warhead, but to the increased range of 3,500 nautical miles. It appears the Chinese have deployed only 10 Dong Feng-4s.<sup>21</sup>

China conducted testing of the Dong Feng-5, its second ICBM, during the period from January 1979, to May 1980. Like the other missiles in this family the current inventory of 10 Dong Feng-5s are liquid fueled, but can carry up to a 5 megaton warhead 8000 nautical miles.

In 1982 the Chinese launched a solid fuel missile from a submarine.<sup>22</sup> This was China's first demonstration that they had developed a solid fuel capability for their missiles and also the ability to launch missiles from submarines.

Currently China has not deployed any of its missile systems in large numbers. However, the Chinese have learned from the U.S. that their missiles must be survivable if they are to be considered a deterrent. China uses a combination of techniques to protect its missiles: dispersal, concealment, hardened silos, and mobility. Additionally, these techniques coupled with China's multiple delivery systems, a triad of land-based missiles, bombers, and submarine-launched missiles, gives China a limited, but viable arsenal of nuclear forces to rely on.

Lack of money and no currently perceived, significant threat may be reasons China does not deploy more missiles. Nevertheless, indicators are that the Chinese have decided to concentrate on research and development to improve their missile program. Additionally, based on the large number of new missiles

that the Chinese have displayed at recent international arms shows: the C-701 supersonic coast-to-ship missile; C-802 multipurpose anti-ship missile; FM-80 surface-to-air missile system; HQ-2B surface-to-air missile; and the M-9 and M-11 surface-to-surface tactical missiles.<sup>23</sup> the Chinese are probably in the process of conducting a major missile modernization program. Recent tests conducted in China indicate the Chinese are developing more modern and accurate solid fuel ICBMs that possess a multiple reentry vehicle (MRV) or multiple independently targeted reentry vehicle (MIRV) capability.<sup>24</sup>

#### Arms sales

Although the U.S. and Soviets have dominated the world arms sales market, China has emerged as a nation willing to sell a large variety of weapons and ammunition, at low cost, to any buyer willing to pay. This, however, has not always been the case. From 1963-1980 China's goal in weapons transfers was not for profit, but rather for strategic interests and influence with different governments around the world.<sup>25</sup> Under the leadership of Deng Xiaoping and with the reduced threat from the Soviets, during the 1980s, the Chinese turned to arms sales for profit to boost their sagging economy and modernize their military.

During the Iran-Iraq War China became an important arms supplier to the Third World. From 1983-1990 over 48% of all China's arms sales were to Iran and Iraq. In 1990 China moved to

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third, behind the U.S. and Soviets, among all arms selling countries gaining a 6% share of the total world market.<sup>26</sup> By 1987 China's sales to the Third World had reached \$5.2 billion.<sup>27</sup>

China currently sells a variety of weapons systems which include: tanks; self-propelled guns; artillery; armored personnel carriers; armored cars; major and minor surface combatants; guided missile boats; submarines; supersonic and subsonic combat aircraft; other types of aircraft; surface-to-surface and surface-to-air missiles; anti-shipping missiles; and a multitude of small arms.<sup>28</sup> The Chinese have effectively demonstrated the capability to provide large quantities of weapons, at competitive prices, to the Third World and actively sell arms to Pakistan, Egypt, Iraq, Iran, Saudi Arabia, Thailand, Burma, North Korea, Libya, Syria, and Bangladesh.<sup>29</sup>

In September 1988, a Chinese spokesman for the Ministry of Foreign Affairs stated China's principles of arms sales:

China is a responsible country. We always assume a serious, prudent, and responsible attitude toward the military products export question. In this regard, we strictly adhere to three principles: First, our military products export should help strengthen the legitimate self-defence capability of the countries concerned; second, it should help safeguard and promote peace, security, and stability in the regions concerned; and third, we do not use the military sale to interfere in the internal affairs of other nations.<sup>30</sup>

How does China conduct its arms sales? Prior to the 1980s Chinese arms sales were conducted solely by ~~state~~ run corporations. When Deng Xiaoping implemented his "Four Modernizations" for China during the 1980s the military was ranked last among the priorities. Deng made significant cuts in military personnel, reduced the budget, and directed the People's Liberation Army (PLA) to find ways to modernize. The military, at that time, had built and controlled 40% of China's key industrial enterprises which produced military equipment.<sup>31</sup> Modernization requires funds and the military leaders quickly realized that excess military equipment, available because of Deng's reductions, sold on the world market would provide a source of funds for its modernization program. China's leadership did not oppose this approach and today both the PLA and ~~State~~<sup>RUN INVESTMENT</sup> are actively involved in arms sales.

The PLA is extremely aggressive in its approach to arms sales and has established separate sales corporations, within the State system, which currently control the majority of China's arms sales. These corporations are profit oriented and little concerned with the impact sales have on foreign affairs or politics. Additionally, these corporations are not required to report their actions through the State Council and at least two corporations are run by children or relatives of China's senior ruling elite. For example, the head of China's largest import-export firm, is Colonel He Ping, Deng Xiaoping's son-in-law.<sup>32</sup>

A senior official of one such corporation, when warned by the Ministry of Foreign Affairs to give more consideration to the impact of arms sales on diplomatic relations responded by saying:

We are determined to devote ourselves to raising funds for promoting the four modernizations of China. This is a glorious mission that should claim precedence over all others. Right now the Ministry of Foreign Affairs should review how to serve this mission.... It is wrong to sacrifice the number one mission for the sake of foreign affairs.<sup>33</sup>

The Iran-Iraq War provided a lucrative market with huge profits for the Chinese. They not only sold excess weapons, but also began producing new military equipment and weapons only for export. ✓ A practice continued today. The hard currency profits from these sales go not only to the State, but to the military, the corporations responsible for the sales, and to key individuals in the form of sales commissions.<sup>34</sup> The Chinese continue their arms sales, regardless of U.S. criticism, because sales equate to hard cash used for modernization, international influence, and domestic power. China's arms sales structure appears to be a compartmentalized political-military organization that is profit oriented and little concerned with how arms sales impact on foreign policy.

✓ <sup>OTHER COUNTRIES</sup>  
U.S. <sup>World Politics</sup>

#### Nuclear proliferation

China's nuclear proliferation policy during the 1960s and 1970s appears to have been based on the premise that the spread of nuclear weapons around the globe would help diminish the power

of the U.S. and Soviet Union, and enhance the opportunities for revolution.<sup>35</sup> During that time frame China consistently denied that a world with more nuclear-weapon states would increase the risk of nuclear war. In the 1980s China began to actively market nuclear materials to finance its modernization programs.<sup>36</sup> China has claimed that all its nuclear related sales were for peaceful purposes only, and the Chinese have rejected requests by the U.S. to limit sales calling these requests unreasonable restrictions on peaceful cooperation between nations.

Despite repeated statements by Chinese officials that China does not support or participate in nuclear proliferation China's actions indicate otherwise. Most statements made by the Chinese echo the theme used by Vice Foreign Minister Qian Qichen at the UN Regional Conference on World Disarmament Campaign in 1987:

China has consistently opposed the arms race and will never take part in it. We stand for the complete prohibition and thorough destruction of all nuclear, chemical, biological, and space weapons and for a dramatic reduction of conventional weapons.... China does not advocate or encourage nuclear proliferation, nor does it help other countries develop nuclear weapons. China supports whatever actions and initiatives that are conducive to the realization of disarmament and elimination of the threat of nuclear war.<sup>37</sup>

And that of Premier Li Peng in 1991 at a meeting of the IAEA:

China's position is clear-cut, that is, China won't practice nuclear proliferation. ...we are against the proliferation of nuclear weapons by any other country. In nuclear energy cooperation with foreign partners, we adopt a cautious and responsible attitude....<sup>38</sup>

China's sales over the years reflect actions that are not

consistent with its stated policy:

- 1981 - Uranium to South Africa and heavy water and uranium to Argentina - heavy water is required for reactors which in turn produce plutonium, needed in the production of nuclear weapons<sup>39</sup>
- 1982 - Heavy water to Argentina and Brazil<sup>40</sup>
- 1982-87 - Heavy water to India<sup>41</sup>
- 1983 - Nuclear weapons plans and weapons grade uranium to Pakistan - Pakistan now possesses a nuclear bomb<sup>42</sup>
- 1985 - Liquid fuel technology to Brazil<sup>43</sup>
- 1986 - Tritium - which is used in the production of nuclear weapons - to Pakistan<sup>44</sup>
- 1988 - M-9 missiles - which can carry nuclear warheads - to Syria<sup>45</sup>
- 1990 - A micro-nuclear reactor to Iran<sup>46</sup>
- 1991 - M-11 missiles - which can carry nuclear warheads - and a 300 megawatt nuclear power plant to Pakistan<sup>47</sup>
  - Assistance to Algeria to build a heavy water reactor<sup>48</sup>
  - 36-CSS-2 (Dong Feng-3) missiles - which can carry nuclear warheads out to 1500 nautical miles- to Saudi Arabia<sup>49</sup>
  - Technology for nuclear weapons to Algeria<sup>50</sup>
  - A Calutron to Iran - a World War II-era machine used to produce weapons-grade nuclear fuel<sup>51</sup>

Additionally, China reportedly provided Iraq with centrifuge technology and lithium hydride, a chemical that can be used in nuclear as well as chemical weapons and missile propellant.<sup>52</sup>

Many of the basic weapons systems that the Chinese sell are poor in quality and use outdated technology. Most buyers now

want better quality and more high-tech weapons, particularly in light of the results that were achieved with these types of weapons during the Gulf War. The end of the Iran-Iraq War saw China's arms sales go from \$5.2 billion in 1987 to \$2.59 billion in 1990.<sup>53</sup> The effect of this decline in conventional sales has been to drive China's sales of nuclear and missile equipment and technology up. The Chinese have continued their sales for both economic and political reasons despite U.S. complaints, restrictions, and sanctions.

#### Sino-American relations

The Sino-American relationship formed in the 1970s was strategic in purpose: it posed a collective threat to, and contained the Soviet Union. Both China and the U.S. have used this relationship to serve their individual purposes and further their respective goals. Since the 1970s the U.S. relationship with China, in the areas of arms sales and nuclear proliferation, has gone through various phases. Generally, the overall relationship remained positive through the decade of the 70s.

Friction began developing in the relationship during the 1980s. The Reagan administration voiced concerns to China about its nuclear assistance to non-nuclear states. The Chinese responded to U.S. complaints by giving an answer that has been repeated on many occasions:

China does not advocate, does not encourage, and does not engage in nuclear proliferation, and it does not

assist other countries in developing nuclear weapons. In its exports China observes three principles: Ensuring that nuclear exports are for peaceful purposes, submitting to the agency IAEA for protective supervision, and forbidding any transfer to a third country.<sup>54</sup>

When the U.S. began to question Chinese arms sales practices, the Chinese immediately charged the U.S. and Soviet Union as ~~responsible~~<sup>BEING</sup> for weapons proliferation since World War II, with each trying to achieve world dominance. The Chinese further charged the U.S. was practicing a double standard in weapons proliferation: "The U.S. talks loudly about restrictions but sells weapons as it desires, it restricts weapons sales to Arab states while it supplies Israel with weapons."<sup>55</sup> Furthermore, China claimed it was being unfairly singled out by the U.S. when in fact the U.S., Soviets, and Europeans dominated the arms sales market.

The U.S. quickly learned that whenever it charged China with improper behavior in the areas of nuclear proliferation or arms sales the Chinese response was nearly always the same: "All these remarks are groundless."<sup>56</sup> China's policy on arms sales and nuclear proliferation became one of total denial until the time of delivery to the buyer, then an announcement that the sale was for peaceful purposes. When the U.S. complained about China's arms sales to the Middle East the Chinese would counter with complaints about U.S. sales to Taiwan and Israel.

Throughout this period U.S. military to military relations with China continued to grow and the sale of technology and military equipment to the Chinese also continued. However, there were other sources of friction in the relationship. China joined the International Atomic Energy Agency (IAEA) in 1984,<sup>57</sup> but resisted U.S. pressures to join the Missile Technology Control Regime (MTCR) or sign the Nuclear Nonproliferation Treaty (NPT). The MTCR governs the export and sale of sensitive missile technologies that could contribute to nuclear weapons delivery systems, and restricts the sale of missiles which have the capability of traveling over 186 miles.<sup>58</sup> The NPT was established to prevent the spread of nuclear weapons to non-nuclear states.

China claimed that although it had not joined the MTCR it did abide by MTCR guidelines. The MTCR defines medium range missiles as those with a range only out to 186 miles, however, the Chinese military dictionary defines a medium range missile as one that travels out to 625 miles.<sup>59</sup> When China sold its M-9 missile, with a range of 375 miles, the Chinese reported the sale as that of medium range missiles.<sup>60</sup>

Further, China stated that the NPT was unfair to all nations except the current nuclear powers, because it discriminated against all non-nuclear states. China repeatedly claimed that all of its nuclear related sales had been for peaceful purposes

only, so there was no reason for it to sign the NPT. The U.S. contended that most of China's nuclear sales fell into the "dual use" category, and were being used for both peaceful and non-peaceful purposes, thus contributing to nuclear proliferation.

Because of U.S. uncertainty over China's verbal non-proliferation guarantees and nuclear dealings with Pakistan, the Reagan administration pressured China into signing the Sino-U.S. Nuclear Cooperation Agreement in 1985.<sup>61</sup> This agreement put controls on the reprocessing of fuel from any American-built, Chinese owned nuclear power reactors, and more importantly put into writing many of China's verbal non-proliferation guarantees.<sup>62</sup>

Although there were frictions between the U.S. and China the overall relationship was still considered positive through the mid-1980s. This changed abruptly in 1989 with the Tiananmen incident. This incident caused immediate sanctions by the U.S. which included the halt of all military to military relations and a suspension of virtually all technology and military equipment sales to China.

The fall of the Soviet Union in 1990 erased the threat that had brought the U.S. and China together during the 1970s. With the threat of the Soviet Union gone the relationship shifted from that of strategic alliance to one of economic relations. Human

rights became the central point of contention between the U.S. and China, followed by nuclear proliferation and missile sales.

Since 1989 the Chinese have aggressively worked to down play Tiananmen, overcome the problems it caused them, and improve relations with the U.S. China now realizes that human rights issues will not go away, and in order to gain improved relations with the U.S. they must show improvement in this area. The Chinese have become more open, are now discussing the issue, and have acted on some requests made by the U.S. China's actions still fall short of U.S. and internationally accepted standards, <sup>But</sup> however, the Chinese no longer totally refuse to discuss human rights, nor do they dismiss questions and claim unjust involvement in their internal affairs.

During 1991 the U.S. imposed additional sanctions against China after discovering the Chinese had sold missile launchers to Pakistan.<sup>63</sup> This action by China caused the U.S. Congress to seriously debate and strongly consider not renewing China's most favored nation (MFN) trading status in 1992. Fearing the worst, the Chinese responded quickly and indicated they would be willing to discuss restricting arms sales to the Middle East and joining the NTCR. On 21 February, of this year, the U.S. announced it had lifted sanctions against the transfer of high technology to China. This announcement was in conjunction with China's written pledge to abide by the existing international agreement

restricting the sale of missiles or missile technology to the Middle East, to join the NTCR, and a restatement by the Chinese that they would accede to the NPT in 1992.<sup>64</sup> The following week the U.S. Senate approved extending the MFN trade status to China, but conditioned future renewals on how China proceeds in the area of human rights, trade practices, and the sale of nuclear and missile technology to non-nuclear nations.<sup>65</sup>

Recent U.S. action has sent a clear message to China that the old relationship has changed. The U.S. will now be much less tolerant of China's actions and their actions will come under much closer scrutiny than they have in the past. This new relationship, based on economic relations rather than strategic alliance, is important to both countries and the future of this relationship depends on the new course of action that each country adopts.

#### U.S. course of action

Since President Nixon visited China in 1972 the general U.S. policy toward China has remained basically the same: narrow foreign policy differences, encourage internal change, and avoid steps counterproductive to American security. This policy is still viable~~However~~, a new U.S. course of action to achieve this policy must be developed based<sup>ON</sup> the new Sino-American relationship caused by the changing world situation.

There are several key points that must be remembered when developing a course of action to be used in dealing with China. First, and most obvious, the demise of the Soviet Union has left China as the last large communist state in the world. Second, the Chinese leadership wants China to become a world power, a recognized world power with world power influence, and is not satisfied with being just a leader in the Third World. Third, there will soon be a change of leadership in China, probably during this decade. Fourth, China is concerned about security in the Asia-Pacific region, especially with the current indicators that the U.S. will withdraw from the area. Fifth, any effort to cause change in China will be a long, slow, and at times painful process that will require patience on the part of the U.S.

The U.S., using a positive engagement approach, should encourage China to become a world power and support China's efforts for modernization. This approach should include coaxing China to become a more active and responsible member of the UN and a player in world politics. Additionally, the Chinese should be invited to participate in all major meetings and conferences, outside the UN, conducted by the other world powers. Their opinions, ideas, and proposals should be actively sought out, considered, and they should be treated like a world power. Along with the opportunity to be treated like a world power will come the responsibility for China to act like a world power. This will require the Chinese to defend their actions, ideas, and

proposals in an international environment and require them to become more open. This openness will provide a better understanding of the Chinese which will enable the U.S. to implement action that will more effectively promote change in China.

China's leaders crushed the 1989 democracy protests at Tiananmen because they believed the movement threatened their survival. This action brought with it a loss of legitimacy for the leaders and the State. The subsequent fall of the Soviet Union compounded their problems with the added loss of influence of communism throughout the world. These events caused Deng Xiaoping to place increased emphasis on modernization and reform, in order to shift the focus away from human rights issues and the loss of State power. Deng has targeted the year 2050 as the date China will achieve a high level of modernization and be ready to compete in the international environment as a world power. More emphasis has been placed on shifting China to a market economy and improving economic growth, especially in the special economic zones. Deng's plan appears to be to make China a world power using a market economy while maintaining the Marxist-Leninist system of government.

The U.S. should encourage and promote Deng's plan and work to convince the Chinese that potentially the most dynamic part of their economy depends on economic interaction with the West and

not questionable nuclear and missile sales to the Third World. For China's market economy to be successful it will require more joint ventures and external investment. Economic growth and modernization require capital and capital is the ingredient that China currently lacks. This lack of capital has caused the Chinese to become very aggressive in their sales of arms, missiles and missile technology, and more importantly nuclear equipment and technology. These sales bring China large sums of hard currency which is used for growth and modernization, but have also brought criticism and sanctions from the U.S. If the U.S. wants to prevent these types of sales from continuing it must help the Chinese find other markets in which they can gain capital. Sanctions only drive China to continue sales which are counterproductive to U.S. security interests, while reducing sanctions will provide the Chinese with other avenues to gain capital. Modernization also requires technology and technology currently comes from outside China, not from within. The U.S. should encourage and assist China in acquiring new technology, participating in joint ventures, and seeking external investment. This action will provide new markets and new capital for China, and require the Chinese to become more open to outside influence. This influence will bring with it new ideas which will further promote change in China and serve U.S. interests.

Deng realizes that the end is near. He and the other "old ones" who currently rule China are in their eighties. Deng is a

reformer who wants to turn the leadership of China over to another reformer who will continue his modernization program. However, he is currently engaged in a struggle with hard-line conservatives who oppose his modernization program and claim that the economic problems the Chinese are experiencing are brought on by Deng's reform efforts. The U.S. should work with Deng, encourage his efforts, and support his position. The more successful Deng, the greater the probability that he will be succeeded by another reformer, which will better serve the interests of the U.S.

India's military build up, North Korea's nuclear program, the remilitarization of Japan, and the withdrawal of U.S. forces from the Asia-Pacific region are all factors that have heightened China's security concerns. These factors coupled with China's current economic difficulties, which prevent the Chinese from projecting any significant military power beyond their borders add to their concerns. The first step the U.S. should take to help ease China's security concerns is to restore the military to military relations with the Chinese that were suspended in 1989. The second and more significant step is for the U.S. to change its longstanding policy of bilateral security relationships in the Asia-Pacific region, constructed to isolate the Soviet Union and China during the Cold War,<sup>66</sup> and promote the establishment of multilateral relationships.

Since the demise of the Soviet Union there have been numerous proposals for multilateral security arrangements in the Asia-Pacific region. Some have recommended including China, some have not. The Chinese have traditionally resisted multilateral relationships and are not comfortable with them. It is now time for the U.S. to encourage the Chinese to become involved in these types of relationships. Multilateral security arrangements that include China will serve to reduce Chinese concerns about other states, help to maintain a balance of power in the region, and ultimately lead to better regional relations which may include new economic relationships that the Chinese desperately need. The establishment of new multilateral relationships will not come easy because of the current and continuing cultural, linguistic, and ethnic differences, plus long-standing animosities in the region. Nevertheless, changing the current security arrangements in the Asia-Pacific region and getting China involved in new relationships will serve U.S. interests.

The end of the Cold War has brought with it a changing world situation, as well as new challenges and opportunities for the U.S. The Asia-Pacific region has been and will continue to be an area vital to U.S. security, and economic growth that will continue to grow in importance. China plays a significant role in the region and even though there has been a longstanding relationship with China the U.S. has had difficulty understanding and working with the Chinese. More times than not the U.S. has

resorted to using negative measures--sanctions and restrictions--to influence Chinese actions. If the U.S. continues this negative approach China undoubtedly will continue to take those actions that the Chinese perceive are in their best interests, as they have in the past, regardless of the impact on the U.S. or others. However, using a new constructive engagement course of action, in dealing with China, that incorporates positive and supportive measures will lead to better Sino-American relations and ultimately produce positive changes in China. These changes will not take place quickly and will require a patient, dedicated effort by the U.S. The long-run goal is to guide China into becoming a responsible, productive member of the world community. The alternative is to maintain the status quo and continue to deal with a China that is isolated, unpredictable, and conducting practices that are counter to U.S. interests. Consequently, now is the time for the U.S. to implement a new course of action for dealing with China.

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